(b) whether the Prime Minister has signed some agreements with the Government of Nepal during his last visit to that country;

(c) if so, the salient features thereof; and

(d) the details of steps taken to establish better Indo-Nepal bilateral relations?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRIMATI KAMLA SINHA): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) A number of steps have been taken in this regard. The Prime Minister of India paid an official goodwill visit to Nepal from 5-7 June, 1977. Nepal's request for an additional transit route to Bangladesh via Phulbari was accepted. The modalities are being workled out. The Trade Treaty valid for five years, was revised and renewed through exchange of letters on 3 December, 1996. India has agreed to provide access, free of customs duties, and the quantitative restrictions, to all articles manufactured in Nepal, except three groups of items, namely alcoholic beverages, tobacco and cosmetics.

Demand by Nepal for transit route to Bangladesh

166. SHRIMATI VEENA VERMA:
SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE:

Will the PRIME MINISTER be pleased to state:

(a) whether the Nepal Government during the recent visit of the Prime Minister to the country, had demanded a new transit route for Nepal to Bangladesh; and

(b) if so, what was the Prime Minister's response and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRIMATI KAMLA SINHA): (a) and (b) The Prime Minister of India paid an official goodwill visit from 5-7 June, 1997 to Nepal. During the visit Nepal's request for an additional transit route to Bangladesh via Phulbari was accepted. It was also agreed that the modalities and working arrangement will be decided within the next two months. The new arrangements would be reviewed six months thereafter.

Development of hatf missile by Pakistan

167. SHRIMATI VEENA VERMA:
SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE:

Will the PRIME MINISTER be pleased to state:

(a) whether government's attention has been drawn to the report in the "Asian Age" of June 13, 1997, captioned "Hatf" is Pakistan's reply to Prithvi;

(b) if so, whether Government have confirmed the report that Pakistan had developed its own missiles Hatf during Ms. Benazir Bhutto's regime to be presented to the nation on 50th Anniversary of Pakistan; and

(c) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRIMATI KAMLA SINHA): (a) Yes, Sir.

(b) and (c) government have carefully monitored Pakistan's pursuit of a missile programme with external assistance. This programme which has been carried on since the early 1980s includes the Hatf series of surface to surface missiles. There has been no independent confirmation of reports regarding the recent firing of a Hatf missile by Pakistan. Government is taking all steps necessary to ensure the country's security.